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Learning in industrial organizations - a multisource feedback study

Sorin Vlad Predescu^a *^aWest University of Timisoara, Bd. V. Parvan 4, Romania

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Abstract

This paper is a result of one year research in a two industrial facility in West of Romania. The main objective was to regarding the management skills and soft skills of the management personnel. We choose to operate with a 360° paradigm of interest and involvement, vertically up and down, as well as horizontally across, the organizational compass. The Training Diagnostic strategy relies on the following methodological design of the program:

Due to the fact that any organizational analysis relies on the sincere and competent participation of the co-workers, any relevant analysis has to insure that the acquired information is valid, relevant and accurate. In this regard, our program uses 2 different types of methods & tools:

- Assessment tools (direct methodology): like the 360° Analysis and the Focus Groups, for the direct acquisition of relevant information in respect to the program objectives.
- Redundancy tools (indirect methodology): like the Indirect Data Collection and the Semi-Structured Interviews, for the validation of the acquired information and the accuracy assessment of the direct methodology.

The results of the program will be described in 2 separate sections:

- Quantitative outputs: measured results of the 360 Degree Analysis, represented separately for each analyzed department.
- Qualitative outputs: the results of the qualitative methods, as well as the accuracy ranking of the quantitative outcomes.

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1. Introduction

This paper is a result of one year research in an industrial facility in West of Romania. The main objective was to assess training needs regarding the management skills and soft skills of the management personnel. We choose to operate with a 360° paradigm of interest and involvement, vertically up and down, as well as horizontally across, the organizational compass. Sources of learning in industrial organizations are mixed and matched depending upon the objectives of the initiative. At times, organizations use single sources of learning as the mechanism for leadership development. In reality, a combination of sources of learning likely yield the best results (McCauley, et al, 1998). Examples of sources of learning include: job rotation, job enlargement, job enrichment, developmental assignments, games, simulations, e-learning, 360-degree feedback, assessment centres, instruments, feedback-intensive programs,

* Sorin Vlad Predescu. Tel.: +0-004-0722812125; fax: +40-(0)256-592249

E-mail address: predescus@gmail.com

equine leadership development, fellowships, service learning, sabbaticals, hardships, personal development plans, action learning, coaching, outdoor education, classroom-based education and developmental relationships (Allen, Hartman, 2008).

Multisource or 360-degree feedback is an increasingly popular process by which managers receive various ratings from a variety of sources. These sources include managers, peers (co-workers), direct reports, and sometimes, even customers (thus the term 360 degrees). Information gathered from this technique can be used for both developmental (helping to identify strengths and performance gaps) and administrative (training evaluation, performance appraisal, promotion, etc.) purposes. The past decade has seen a tremendous increase in the use of this approach for a variety of reasons. One is that the jobs of today are increasingly complex, and the traditional method of having a supervisor rate a direct report's performance falls well short in giving adequate amounts of quality information in order to improve performance. Another reason is that the trend towards empowerment and downsizing has shifted the burden for personal development to the employee (Tornow and London, 1998). Typically, organizations fall short of providing managers with a clear, long-term career path. This forces individual manager to assess their own strengths and weaknesses through perceptions based on little or no objective feedback.

There are many different methods, surveys, and implementation techniques used in multisource programs (Bracken et al, 2001). We first provide the conceptual background for 360 programs in general and then describe the development and implementation of our proposed program for evaluating training needs for personal from an industrial facility.

Another area in which 360-degree feedback has strong conceptual roots is in the performance appraisal literature. Again, today's business climate has forced organizations to provide much more information than the traditional performance review provides, thus spawning such creative efforts as 360-degree feedback. It is now recognized that managers can improve their performance through increased information. Social cognitive theory (Bandura, 1986; Stajkovic and Luthans, 1998a), in particular the dimension of self-awareness, can be used to explain. This theory states that humans have the ability to assess their own capabilities and skills, and they often evaluate themselves quite differently than others do. Therefore, the 360-degree process provides managers with an external source of information designed to increase their self-awareness. This enhanced self-awareness may improve managerial effectiveness by providing individuals with another source of outside information regarding what others expect of him/her (Fletcher and Baldry, 2000). This seems particularly important for helping to develop training programs.

Although surveys have found that the majority of US firms have implemented some form of 360-degree feedback (Edwards and Ewen, 1996), they are not that common in other countries. Part of the reason can be explained by the fact that most of the instruments and implementation techniques have been developed in the USA. Initially we applied this assessment methodology for the reason that the organization has US roots. Multinational organizations struggle between implementing standardized processes, focusing on product and service uniformity, developing consistent leadership, and recognizing cultural uniqueness. Some study (Gillespie, 2005) suggests that the assumption of a U.S.-developed survey retaining its meaning across cultures may be faulty. For international human resources management (IHRM), cultural issues associated with both the design of the 360 instruments and the interpretation of the results must be considered.

The use of 360 deg feedback cannot "fix" an appraisal system that isn't working, whether the failing is due to structural or administrative problems with the appraisal system or larger problems within the underlying corporate culture (Lepsinger, Lucia, 1997). For instance, if the only thing the company really cares about is whether a manager made his numbers last year, it's rather pointless for his boss to rate his skills as a coach or team builder. When used appropriately, however, multisource feedback can improve an already effective appraisal system in several ways: by helping to gain agreement on expectations, by using a broader range of information, and by facilitating open discussion.

The use of 360 deg feedback provides a more objective measure of a person's performance. Incorporating the perspective of multiple sources results in a broader view of the employee's performance and helps minimize biases that result from limited views of behavior. Also the multisource methodology encourages open discussion. Studies have shown that people are more likely to modify their self-perceptions in the face of multisource feedback (Lepsinger, Lucia, 1997). Multiple views of a person's behavior also increase the likelihood that important elements of performance will not be overlooked or minimized, which increases the likelihood of a well-run appraisal meeting in which the boss provides balanced feedback in a constructive manner. This in turn reduces the employee's

defensiveness and facilitates open discussion. Manager-initiated discussions with subordinates tend to improve the manager's performance, especially when the feedback is unfavorable (Walker and Smither, 1999).

2. Case study

2.1. Program overview and objectives

The Diagnostic Training intervention was focused on the identification of the organizational needs regarding the management skills and soft skills of the management personnel within the two manufacturing facility in Romania.

The intervention was focused on the following objectives:

Analyze of the target group work functions and methods, analyze of their involvement in the company activity flow;

Analyze of the short, medium and long term professional objectives, as well as of the group culture and values, in respect to the target personnel;

Analyze of the target group perspective on: the professional functions insured, on the short, medium and long term professional objectives, on the professional priorities and on the difficulties they face in their professional activity .

2.2. Methodology of the program

This field study extends the current literature on multisource feedback and executive coaching in several ways:

2.2.1. Indirect data collection

The technique involves a detailed study of the internal documentation describing:

- Organizational hierarchy
- Job descriptions and related relevant internal regulations
- Communication channels and communication flow

2.2.2. Activity flow

This initial data collection tool was of great importance in understanding the various organizational functions of the company, as well as in correlating different perspectives upon the key issues observed during the intervention.

Semi-structured Interviews

The semi-structured interviews involved a series of standard questions regarding following parameters:

Defining the personal role within the organization (as-is)

Describing strengths and weaknesses of both personal performance and organizational capacity.

Defining short, medium and long term training objectives.

The technique provided critical information for the accuracy ranking of the 360° analysis and completed the qualitative data acquisition. Over 30 interviews were conducted in the manufacturing facility during the implementation of the program.

3. Results of the program

The results of the program will be described in 2 separate sections:

Quantitative outputs: measured results of the 360 Degree Analysis, represented separately for each analyzed department.

Qualitative outputs: the results of the qualitative methods, as well as the accuracy ranking of the quantitative outcomes.

The consecutive section is detailing several conclusions & recommendations in respect to the presented outcomes.

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3.1. Qualitative outcomes:

3.1.1. Validation of quantitative results

The most important aspect of the qualitative outputs is the relevance ranking of the quantitative analysis. In this respect, we have used the following criteria for assessing the accuracy of the information acquired by the 360° Analysis:

Uniformity of the answers: proficiency of skills is rarely distributed in a uniform manner, like the relevance of the skills for a department. Uniform answers are less credible than heterogeneous ones.

Convergence of the answers: does the data converge upon similar results; do the team members tend to identify compatible needs of the department? If not, then the accuracy of the response is to some extent questionable.

Cross-validation with qualitative methods: are the issues identified in the qualitative analysis convergent with the 360° Analysis? If not, we should always trust the qualitative method, due to the fact that although it is less procurable as data, it contains more fail-safe mechanisms: personal interaction with the target group, behavioral validation by the operator/consultant/facilitator, controlled environment of the data acquisition, and other.

3.2. Priority issues identified using the Semi-Structured Interview tool:

3.2.1. Issues regarding the organization and the production system

- Fluctuation and absenteeism have not improved in the last year, despite serious organizational efforts.
- A significant number of employees are expected to quit their job at the beginning of 2008, after the 13th salary.. This conclusion was also validated by the Focus Group qualitative instrument.
- Stress and overtime are causing much more problems than a year ago.
- Retribution has slightly decreased in the last year, against the tendency of the labor market. This issue creates a perverse effect in the correlation with the increase in work productivity: the targets are increasing constantly without the increase of the employees stimulations. While excellent in productivity outcomes, this strategy was stretched over its limits, creating a very consistent load of frustration and lack of motivation. Phenomena like absenteeism and fluctuation tend to be uncontrollable .
- Quality of the direct personnel has decreased in the last year and there are no perspectives that things will improve.
- The quality of the supervisory management within the shop floor is poor (and will remain poor without proper measures), while the expectations of the organization are growing rapidly.

3.2.2. Issues regarding the organizational dynamics

- High fluctuation and strict targets have reduced most communication in the shop floor. Most team leaders do not have time to know their co-workers in order to perform a proper supervisory management function. In addition to that, fine-tuning measures for the containment of these phenomena proved to be less effective.

The most serious problem in the personnel dynamics area can be described in a synthetic manner as the fact that the long-term focus on productivity combined with lack of containment of the personnel problems and motivational issues has created a deep and severe fluctuation / demotivation issue with severe impact in the quality and finally even productivity of the plant. We had the perception that the problem is increasing rapidly and that it needs a more radical approach in order to be contained.

3.2.3. Issues regarding the training of the personnel

Following training needs have been recorded in most departments:

- Organizing effective meetings
- Leadership
- Communication
- Teambuilding
- Delegation skills & supervisory management
- Language skills (English)

Another interesting input was the setup of a psychology / psychotherapy service within the plant.

4. Conclusions

This paper is the first step in the construction of a training program for the indirect staff. In this regard, this study provides a clear perspective upon the specific needs of each department. Nevertheless, we recommended to the organization the following steps in order to insure a measurable and sustainable impact of such a program:

The content of this report should be discussed and analyzed together with the department managers, in order to integrate their feedback and their perspective upon this information.

A participative approach will insure that each person from the target group will have the opportunity to actively participate to a training package adapted to the needs of the department, as well as the needs of the individual. Participation should be voluntary, in order to maximize commitment and involvement of the participants.

Although different departments have identified the need for similar type of training (for example presentation skills), the level of proficiency needed can be of significant difference. The training program should insure also the scalability of the difficulty level, in order to be useful to the entire target group.

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